Approved For Release 2006/11/22 : CIA-RDP82B00871R000100060009-7

Office of the Assistant to the Director

STAT

(Advance for Release on Delivery Scheduled for 9:00 a.m., EDT, Wednesday, June 25, 1975.)

Statement

W. E. Colby

Director of Central Intelligence

before

Government Information and Individual Rights Subcommittee

of the

House Government Operations Committee

June 25, 1975

I am here to request the cooperation of this Committee and of the Congress in the protection of our nation's foreign intelligence sources and methods. It is essential that we protect them if we are to provide to the nation the foreign intelligence it needs and deserves in order to live in today's and tomorrow's world.

Madam Chairwoman, intelligence is important to our nation. We face closed and hostile societies, our citizens face complex and difficult situations in the world abroad, our national economy is dependent on foreign resources and subject to the impact of foreign decisions, and local disputes abroad can expand to engage the world as a whole.

Our intelligence is important because it enables us to anticipate and defend ourselves against such dangers, it enables us to negotiate solutions rather than confront crises, and it enables us to make peace through knowledge rather than stumble into conflict through misunderstanding.

Madam Chairwoman, American intelligence is the best in the world. The independence of its analysts, the inventiveness of its engineers, the skill of its clandestine officers, and the flexibility, strength and courage of its personnel are the envy of other intelligence services.

Madam Chairwoman, our intelligence is also responsive to American opinion and to our Constitutional structure. In 1947, when CIA was established, it was responsive to American opinion which then accepted the old tradition that nations conduct but do not talk about intelligence. The National Security Act of 1947 reflected this traditional approach in delegating decision-making to the National Security Council, providing broad powers to conduct intelligence activities and phrasing intelligence functions in vague and general language. External supervision in those years was sporadic and sympathetic in tune with the consensus on foreign policy which marked the times.

Under this arrangement mistakes were made and in some cases the Agency overstepped its legal bounds. But as American opinion changed in the period following Vietnam and Watergate, American intelligence was sensitive to this change. In 1973, CIA looked back over its past and issued directives for the future to ensure that it stay within proper legal bounds. It took steps better to serve the Congress and the people as well as the Executive Branch with the fruits of our intelligence. It reduced its active role abroad in reflection of changed times and concentrated

on the collection of intelligence. It has come forward to explain to the American people, as I do today, the importance and excellence of our intelligence, rather than holding to the traditional anonymity of intelligence services.

But, Madam Chairwoman, if American intelligence is to continue to be effective, there must be limits to the public exposure of its activities. Exposing our clandestine operations to the American people also exposes them to foreign nations who can thwart them. Exposing our technical intelligence systems to the American people also alerts closed societies to the chinks we have found in their armor. Exposing the details of our assessments provides other nations with an exact calibration of our knowledge of their weapons and plans. If our intelligence product is to continue to be excellent, the essential secrets of the intelligence trade must be protected.

These intelligence secrets are as important to our nation and the preservation of our Constitution as the judicial secrets of grand jury deliberations, Congressional secrets of executive session discussions, the trade secrets of American industry and commerce, the diplomatic secrets

of our negotiations, and the military secrets of our national defense. I have on many occasions pointed out the need for better legal protection of our intelligence secrets beyond the incomplete laws we have today. I believe these can be fully compatible with our Constitution and indeed are essential to support and defend it.

Today I am here to stress to you, Madam Chairwoman, the Committee, and the Congress, the importance of an exemption of the Central Intelligence Agency or of intelligence sources and methods from the public disclosure requirements of the Privacy Act of 1974. I have consistently indicated my willingness to narrow the Agency's full exemption in the Act to an exemption protecting intelligence sources and methods from unauthorized disclosure. I have also accepted and, in fact, have implemented a policy, despite our current exemption in the Act, to respond to requests from American citizens and permanent resident aliens by providing them what information we have on them, within the limits of statutory responsibility to protect sources and methods and otherwise to conform to restrictions imposed upon the release of information in the Freedom of Information and the Privacy Acts.

I wish to assure the members of this Committee, the Congress as a whole and the American people, that we in the intelligence profession are completely dedicated to the policy reported in the Privacy Act of 1974 that information on American citizens and permanent resident aliens be collected and used only for proper governmental purposes. I only ask that in holding us accountable to this commitment, it be done in a manner and by means which protect foreign intelligence sources and methods, because only in this way can our country acquire the foreign intelligence it needs in today's world. It is essential that we protect the identity of those furnishing us information, and the technical means and other sources on which we rely to collect and analyze foreign developments.

The Agency, to a great extent, deals in classified information. The substantive foreign intelligence information possessed by the Agency and included in its reports may bear on the national defense and the foreign relations of the United States. But independent of such information, although often included in it, are clues to the identity of the sources or methods employed. To protect them, therefore, CIA needs more than the authority to withhold information "in the interest of national defense or foreign policy."

This need is recognized not only in the National Security Act of 1947 proviso concerning the protection of intelligence sources and methods, but also in the legislative history of the Freedom of Information Act Amendments of 1974 which were acted upon by the House Government Operations Committee. On March 5, 1974, the Government Operations Committee report on the Freedom of Information Act Amendments (H.R. 12471) recognized that certain types of governmental information are "born classified"——a result of statutory enactments. The conference report on this legislation specified intelligence sources and methods (50 U.S.C. 403(d)(3) and (g) as such a category of information. These enactments and statements recognize the inherent sensitivity of information dealing with intelligence sources and methods.

The current investigations into past Agency practices question whether the Central Intelligence Agency, and I, as Director of Central Intelligence, now exercise sufficient internal control and supervision, and are under sufficient external control and supervision to assure that the Agency, in protecting information from disclosure, does not thereby undertake improper activities with respect to American citizens.

The Vice President's Commission's summary of its findings on CIA's domestic activites is relevant in this context. I quote: "A detailed analysis of the facts has convinced the Commission that the great majority of the CIA's domestic activities comply with its statutory authority. Nevertheless, over the 28 years of its history, the CIA has engaged in some activities that should be criticized and not permitted to happen again." The Commission noted that some of these activities were initiated or ordered by Presidents, some fall within a doubtful area, and some were plainly unlawful. It commented that "the Agency's own recent actions, undertaken for the most part in 1973 and 1974, have gone far to terminate the activities upon which this investigation has focused."

The special interest of this Subcommitte, Madam Chairwoman, concerns the collection and use by the Agency of information on American citizens and permanent resident aliens. The Commission's Report covers this matter quite thoroughly in Chapter 18, "Indices and Files on American Citizens."

That chapter recognizes: <u>first</u>, "that the collection of information about people is a major function of the CIA;" <u>second</u>, "the collection of information about persons who may

be American citizens is largely incidental to collecting information about people generally;" third, the need of the Agency to possess information on "individuals suspected of working on behalf of a hostile intelligence service and persons of interest as actual or potential sources of information or assistance;" and fourth, the need for information on U. S. citizens who enter into some type of relationship with the Agency and in connection with the need to grant or deny security clearances before access to classified Agency information is approved.

It also relates the various precautions undertaken within the Agency now to assure that the opening of a file on an American citizen is necessary and that the information contained in the file is proper within our authority. In the chapter's concluding statement, there is the observation that "Constant vigilance by the Agency is essential to prevent the collection of information on United States citizens which is not needed for proper intelligence activities." Finally, it recommends an Executive Order, which I would like to include at this point in the record, to assure that Agency collection of information about the domestic activities of United States citizens is consistent with the Agency's mission.

These observations are consistent with my views. We have taken steps to insure that the information possessed by the Agency on American citizens should be only that which is appropriate to the statutory missions of the Central Intelligence Agency.

Another question of special interest to this Committee is that Agency information on American citizens properly collected and maintained by the Agency not be available outside the Agency for improper use. I, of course, have limited control on how other agencies use CIA information except to share information only where a legitimate function is being performed. Under current directives, access to our information by other agencies is tightly controlled and information collected by the Agency on American citizens, which is so shared, is essentially limited to: proper requests from the FBI for information on Americans abroad (and such information is only collected pursuant to a request from the FBI); information incidentally collected on activities abroad in connection with illicit narcotics trafficking and terrorism; information on individuals suspected of working on behalf of a hostile intelligence service; and information pertaining to security clearances for access to sensitive intelligence.

It is in keeping with our American tradition that the activities of government agencies are subject to external oversight. Beyond our firm commitment to conduct our activities within and pursuant to law, the CIA is subject to oversight and direction within the Executive Branch of the Federal Government and oversight in the Congress.

The Rockefeller Commission has recommended expanded oversight of the CIA by both the Executive and Legislative Branches to assure the public that the Agency is being effectively supervised. I fully accept such additional measures, carried out in ways which can still protect our necessary secrets from exposure, as I believe that our intelligence service, as well as our other governmental bodies, must be accountable.

Madam Chairwoman, in the world of the 1970's and 80's, intelligence is and will be of great importance to the safety of our country and the welfare of our citizens.

The United States has developed the best intelligence service in the world. We must not destroy it through sensational or irresponsible exposure.

Our intelligence service is American, and it must adhere to our Constitution and laws. This is a responsibility

of us in the intelligence profession as well as our Legislative and Executive Branch superiors and supervisors.

Whatever the missteps or misdeeds of the past, our policy today is clear, and I am confident that the discipline and integrity of our intelligence profession today are as high as the dedication and courage of those who developed this greatest of intelligence systems. I ask your support in keeping it great.